

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

FISCAL YEAR ENDED JUNE 30, 2016

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

***Riverbank Charter School of Excellence
Board of Trustees
Roebling, New Jersey***

***Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2016***

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
RIVERBANK CHARTER SCHOOL OF EXCELLENCE
ROEBLING, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Prepared By

***Riverbank Charter School of Excellence
Finance Department***

And

Barre & Company, CPA's

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INTRODUCTORY SECTION

Riverbank Charter School of Excellence
1300 Hornberger Avenue
Roebing, New Jersey 08554

December 1, 2016

Honorable President and
Members of the Board of Trustees
Riverbank Charter School of Excellence
Roebing, New Jersey

Dear Board Members:

We are pleased to present to you the Comprehensive Annual Financial Report (CAFR) of the Riverbank Charter School of Excellence (Charter School) for the fiscal year ended June 30, 2016. This CAFR includes the Charter School's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34.

The Charter School has elected to adopt this new financial reporting model which we believe will provide all users of this document with much more useful financial and statistical information than ever before. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Trustees (Board).

To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Charter School. This report will provide the taxpayers of the Riverbank Charter School of Excellence with comprehensive financial data in a format enabling them to gain an understanding of the Charter School's financial affairs.

The Comprehensive Annual Financial Report is presented in four sections as follows:

- The Introductory Section contains a table of contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the Charter School;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the Charter School's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the Charter School, generally presented on a multi-year basis;

- The Single Audit Section — The Charter School is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget (OMB) Circular A-133, “Audits of States, Local Governments and Non-Profit Organizations”, and the New Jersey State Office of Management and Budget (OMB) Circular 04-04, “Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid”. Information related to this single audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, are included in the single audit section of this report.

Charter School Organization

An elected five-member Board of Trustees (the “Board”) serves as the policy maker for the Charter School. The Board adopts an annual budget and directly approves all expenditures which serve as the basis for control over and authorization for all expenditures of the Charter School funds.

The Lead Person is the chief executive officer of the Charter School, responsible to the Board for total educational and support operations. The Business Administrator is the chief financial officer of the Charter School, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the Charter School, acting as custodian of all Charter School funds, and investing idle funds as permitted by New Jersey law.

1. REPORTING ENTITY AND ITS SERVICES: Riverbank Charter School of Excellence is an independent reporting entity within the criteria adopted by the Government Auditing Standards Board (GASB) as established by GASB Statement No. 14. All funds and account groups of the school are included in this report. Riverbank Charter School of Excellence and Board of Trustees, constitutes the Charter School’s reporting entity.

The focus of education at Riverbank Charter School of Excellence has always been what is best for the success of the children. With this in mind, the school provides a full range of educational services appropriate to meeting the needs of all students in grades Kindergarten through Grade 3 during the 2015-2016 school year. Such instructional services include regular education, special education and basic skills program.

Riverbank Charter School of Excellence ended the 2015-2016 school year with an enrollment of 144 students. The following details the student enrollment of the Charter School over the last year:

<u>Average Daily Enrollment</u>			
<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2015-2016	144	142.00	0.0%
2014-2015	144	142.00	-0.8%
2013-2014	143	143.20	0.8%
2012-2013	142	142.00	4.9%
2011-2012	135	135.00	12.6%

2. ECONOMIC CONDITION AND OUTLOOK: In September of 2008, *Riverbank Charter School of Excellence* was “chartered” by the Commissioner of Education for the State of New Jersey to operate an independent public school. *Riverbank Charter School of Excellence* is accountable to its students, parents, community, and the New Jersey Department of Education to fulfill its mission and deliver an exceptional academic program that leads to achievement for all of our students.

Riverbank Charter School of Excellence serves as a positive school culture functioning to sharpen the focus of staff and students, building commitment and sense of community, fostering motivation to achieve valued ends, and encouraging productivity and learning. Our school’s mission is to provide students with opportunities to develop their intellectual, emotional and social potential through the implementation of a dynamic curriculum that fosters learning through a cooperative effort involving home, school, and community. By all three working together, students can attain their maximum potential critical thinkers, lifelong learners, and responsible, contributing citizens in a rapidly changing pluralistic society. With this is the belief that children learn best when the significant adults in their lives – parents, teachers and community members – work together to encourage and support their development. As such, we believe that parental involvement in a child’s education is paramount.

Since the school’s inception, students have continually demonstrated their knowledge by scoring proficient or advanced proficient on all standardized tests.

We are privileged that our parents send their children to *Riverbank Charter School of Excellence*. More than 98% of our parents are pleased with the progress their children are making. Our school families appreciate the effort, time, improvements, and consistency each year. We are highly recommended through word of mouth, and our presence in the township has grown more favorable each year.

Riverbank Charter School of Excellence is fiscally solvent and continues to maintain a surplus while expanding educational programs, extra-curricular activities, providing various professional development training for staff, as well as improvements to the school building. It is our goal to be continuously growing, improving, and achieving higher goals each year. We are confident that *Riverbank Charter School of Excellence* will soon be recognized as a Blue Ribbon School in the State of New Jersey.

3. MAJOR INITIATIVES: The Charter School has developed a comprehensive strategic plan to support its mission and vision and serves as a blueprint for the achievement of its goals. The plan includes objectives, such as pupil achievement as measured by standardized tests and teacher assessment instruments; formal professional development for the certified and non-certified staff; and the implementation of a technology plan in all classrooms.

4. INTERNAL ACCOUNTING CONTROLS: Management of the Charter School is responsible for establishing and maintaining an internal control designed to ensure that the assets of the Charter School are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

INTERNAL ACCOUNTING CONTROLS (CONTINUED)

- a) the cost of a control should not exceed the benefits likely to be derived; and
- b) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the Charter School is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal control is also subject to periodic evaluation by the Charter School's management.

As part of the Charter School's single audit described earlier, tests are made to determine the adequacy of internal controls, including that portion related to federal and state financial assistance programs, as well as to determine that the Charter School has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the Charter School maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2016.

6. CASH MANAGEMENT: The investment policy of the Charter School is guided in large part by state statute as detailed in "Notes to the Basic Financial Statement" Note 3. The Charter School had adopted a cash management plan which requires it to deposit funds in public depositories protected from loss under the provisions of the

7. Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Government Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, directors and officers insurance and workmen's compensation.

9. OTHER INFORMATION:


Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Barre & Company, Certified Public Accountants, was selected by the Board of Trustees. In addition to meeting the requirement set forth in State statutes, the annual audit was designed to meet the requirement

OTHER INFORMATION (CONTINUED)

of the Uniform Guidance and the New Jersey Circular Letter of 15-08 OMB, Single Audit for Recipients of Federal Grants, State Grants, and State Aid". The auditor's report on the basic financial statements and specified required supplemental information is included in the Financial Section of this report. The auditor's report related specifically to the single audit is included in the Single Audit Section of this report.

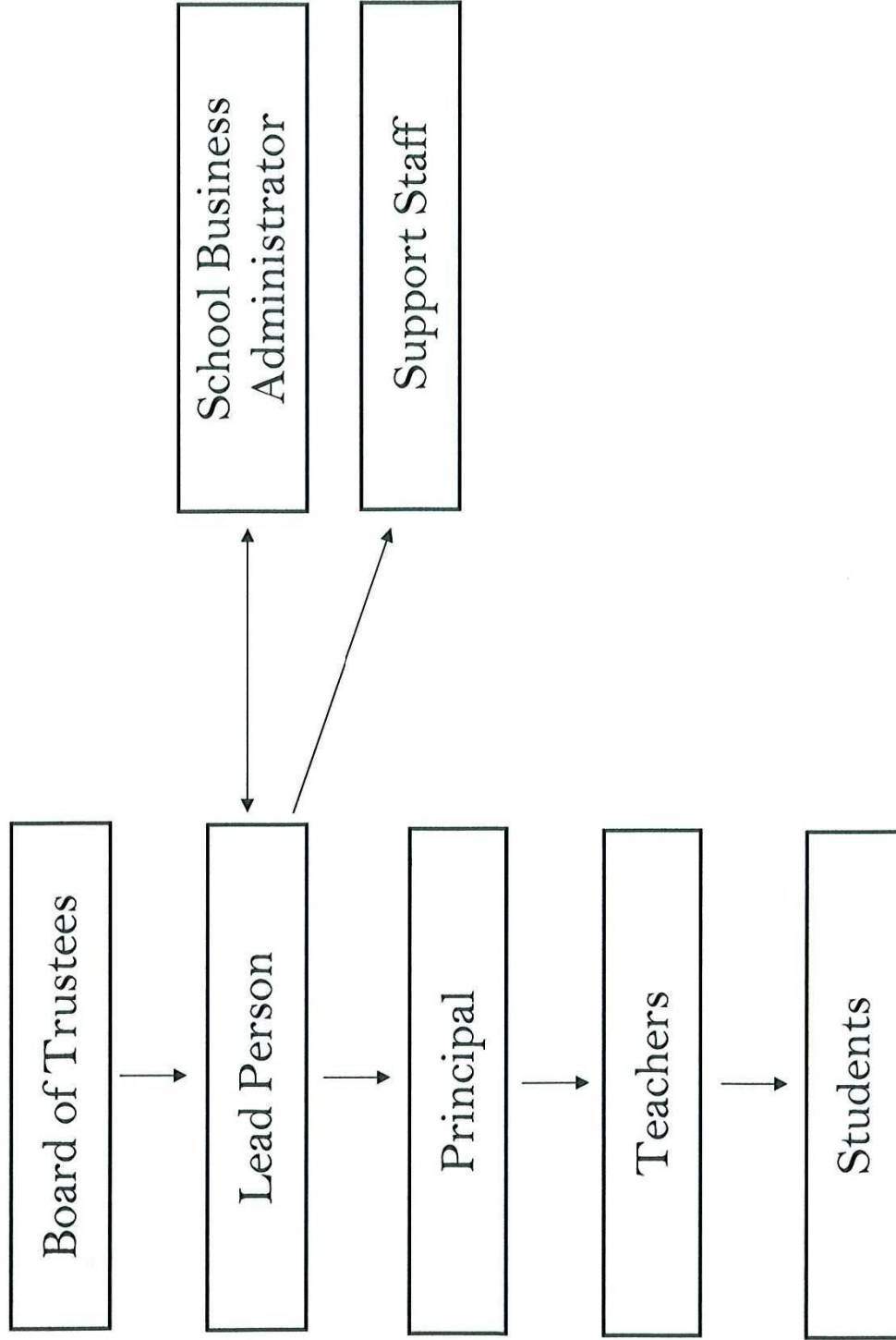
10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Riverbank Charter School of Excellence Board of Trustees for their concern in providing fiscal accountability to the citizens and taxpayers of the Charter School and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our staff.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Deborah Pontoriero', is written over a light blue rectangular background.

Deborah Pontoriero
Business Administrator

Riverbank Charter School of Excellence Organizational Chart



**RIVERBANK CHARTER SCHOOL OF EXCELLENCE
ROEBLING, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2016**

MEMBERS OF THE BOARD OF TRUSTEES

Stuart Carroll	Board President
Michael Sullivan	Trustee
Jenean Swain	Trustee
Kathleen Magoon	Trustee
Susan McCool	Trustee
Jon Marbach	Trustee

SCHOOL OFFICIALS

Beth Kelley	School Leader
Deborah Pontoriero	SBA
Charles Murray (Ex-Officio)	Teacher Representative

**RIVERBANK CHARTER SCHOOL OF EXCELLENCE
ROEBLING, NEW JERSEY**

CONSULTANTS AND ADVISORS

Audit Firm

Barre & Company
Certified Public Accountants
2204 Morris Avenue, Suite 206
Union, New Jersey 07083

Attorney

Johnson Law Firm
77 Midland Ave
Suite 1
Montclair, New Jersey 07042
(up to April 2016)

Official Depository

Sun National Bank
411 Route 33
Hamilton New Jersey 08619

FINANCIAL SECTION

BARRE & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

2204 Morris Avenue, Suite 206
Union, New Jersey 07083
(908) 686-3484
FAX – (908) 686-6055

Independent Auditor's Report

Honorable President
Members of the Board of Trustees
Riverbank Charter School of Excellence
County of Burlington
Roebing, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Riverbank Charter School of Excellence (Charter School), in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Charter School's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Riverbank Charter School of Excellence, in the County of Burlington, State of New Jersey, as of June 30, 2016, and the respective changes in the financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information starting on pages 15 and 67, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter School's basic financial statements. The accompanying supplementary information such as the combining and individual fund financial statements and schedules of expenditures of federal awards and state financial assistance, as required by in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* and the *New Jersey Circular 15-08 OMB State Aid/Grant Compliance Supplement* respectively; and the other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records use to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the


combining and individual nonmajor fund financial statements and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards and the Division of Finance, Department of Education, State of New Jersey*

In accordance with *Government Auditing Standards* and the Division of Finance, Department of Education, State of New Jersey, we have also issued our report dated December 1, 2016 on our consideration of the Riverbank Charter School of Excellence's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards and the Division of Finance, Department of Education, State of New Jersey* in considering the Charter School's internal control over financial reporting and compliance.


Barre & Company, CPA's
Union, New Jersey


Richard M. Barre
Licensed Public School Accountant
No. CS-01181
Barre & Company, CPA's

December 1, 2016

REQUIRED SUPPLEMENTARY INFORMATION – PART I

**RIVERBANK CHARTER SCHOOL OF EXCELLENCE
ROEBLING, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

The discussion and analysis of Riverbank Charter School of Excellence's financial performance provides an overall review of the Charter School's financial activities for the fiscal year ended June 30, 2016. The intent of this discussion and analysis is to look at the Charter School's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the Charter School's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 — *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2015-2016) and the prior year (2014-2015) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for 2016 are as follows:

- ❖ General revenues accounted for \$1,655,455 or 97% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$49,726 or 3% of total revenues of \$1,705,181.
- ❖ The Charter School had \$1,941,661 in expenses; only \$49,726 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$1,655,455 were not adequate to provide for these programs.
- ❖ Among governmental funds, the General Fund had \$1,643,661 in revenues and \$1,823,992 in expenditures. The General Fund's fund balance decreased \$180,331. This decrease was anticipated by the Board of Trustees.

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Riverbank Charter School of Excellence as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

Using this Comprehensive Annual Financial Report (CAFR)

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole Charter School, presenting both an aggregate view of the Charter School's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Charter School's most significant funds with all other non-major funds presented in total in one column. In the case of Riverbank Charter School of Excellence, the General Fund is by far the most significant fund.

**RIVERBANK CHARTER SCHOOL OF EXCELLENCE
ROEBLING, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED
(CONTINUED)**

Reporting the Charter School as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the Charter School to provide programs and activities, the view of the Charter School as a whole looks at all financial transactions and ask the question, "How did we do financially during 2016?" The *Statement of Net Position* and the *Statement of Activities* answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Charter School's net position and changes in that position. This change in net position is important because it tells the reader that, for the Charter School as a whole, the financial position of the Charter School has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the *Statement of Net Position* and the *Statement of Activities*, the Charter School is divided into two kinds of activities:

- ❖ Governmental activities — All of the Charter School's programs and services are reported here including instruction, administration, support services, and capital outlay.
- ❖ Business-Type Activity — This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the Charter School's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the Charter School's funds. The Charter School uses many funds to account for a multitude of financial transactions. The Charter School's governmental funds are the General Fund and Special Revenue Fund.

**RIVERBANK CHARTER SCHOOL OF EXCELLENCE
ROEBLING, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED
(CONTINUED)**

Governmental Funds

The Charter School's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Charter School's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Charter School-wide and fund financial statements. The notes to the financial statements can be found starting on page 36 of this report.

The Charter School as a Whole

Recall that the *Statement of Net Position* provides the perspective of the Charter School as a whole. Net position may serve over time as a useful indicator of a government's financial position.

The Charter School's financial position is the product of several financial transactions including the net results of activities.

The Charter School's combined Net Position (Deficit) were \$(90,897) on June 30, 2016 and \$145,583 on June 30, 2015.

Governmental Activities

The Charter School's total revenues were \$1,679,093 for the year ended June 30, 2016, this includes \$53,147 of state reimbursed TPAF social security contributions.

The total cost of all program and services were \$1,916,379 for 2016. Instruction comprises 52% of Charter School expenses.

**RIVERBANK CHARTER SCHOOL OF EXCELLENCE
ROEBLING, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED
(CONTINUED)**

Governmental Activities

The *Statement of Activities* shows the cost of program services and the charges for services and grants offsetting those services.

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Administration includes expenses associated with administrative and financial supervision of the Charter School.

Support services include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development and the costs associated with operating the facility.

Capital Outlay represents instructional and/or non-instructional equipment purchased and is capitalized when such equipment is over the \$2,000 threshold.

Business-Type Activities

Revenues for the Charter School's business-type activities (Food service program) were comprised of charges for services and federal and state reimbursements.

- ❖ Food service revenue exceeded expenses by \$806 and expenses exceeded revenue \$173 and 2015 respectively.
- ❖ Charges for services represent \$11,535 and \$10,794 of revenue for 2016 and 2015 respectively. This represents amounts paid by patrons for daily food.
- ❖ Federal and state reimbursements for meals, including payments for free and reduced lunches and breakfast were \$14,553 and \$12,939 for 2016 and 2015 respectively.

The Charter School's Funds

All governmental funds (i.e., general fund and special revenue fund, presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$1,679,093 and expenditures were \$1,859,424 for 2016. The net change in fund balance was most significant in the general fund with a decrease of \$180,331 in 2016.

As demonstrated by the various statements and schedules included in the financial section of this report, the Charter School continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2016.

**RIVERBANK CHARTER SCHOOL OF EXCELLENCE
ROEBLING, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED
(CONTINUED)**

The Charter School's Funds

Revenues	Amount	Percent of Total	Increase/ (Decrease) From 2015	Percent of Increase/ (Decrease)
Local Sources	\$ 900,838	53.65%	\$ (62,455)	-6.48%
State Sources	742,823	44.24%	(61,003)	-7.59%
Federal Sources	35,432	2.11%	4,068	12.97%
Total	\$ 1,679,093	100.00%	\$ (119,390)	

The following schedule represents a summary of general fund and special revenue fund expenditures for the fiscal year ended June 30, 2016.

Expenditures	Amount	Percent of Total	Increase/ (Decrease) From 2015	Percent of Increase/ (Decrease)
Instruction	\$ 773,959	41.63%	\$ (41,600)	-5.10%
Administration	897,421	48.26%	174,105	24.07%
Support Services	188,044	10.11%	(67,778)	-26.49%
Capital Outlay	-	0.00%	(10,695)	-100.00%
Total	\$ 1,859,424	100.00%	\$ 54,032	

General Fund Budgeting Highlights

The Charter School's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

- ♣ Over the course of the year, the Charter School revised the annual operating budget in accordance with state regulations. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts.

**RIVERBANK CHARTER SCHOOL OF EXCELLENCE
ROEBLING, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED
(CONTINUED)**

Capital Assets (Net of Depreciation)

At the end of the fiscal year 2016, the Charter School had \$0 invested in machinery and equipment.

For the Future

The Riverbank Charter School of Excellence is in stable financial condition presently. The Charter School is proud of its community support. A major concern is the continued enrollment growth of the Charter School with the increased reliance on federal and state funding.

In conclusion, Riverbank Charter School of Excellence has committed itself to financial stability for many years. In addition, the Charter School's system for financial planning, budgeting, and internal financial controls are well regarded. The Charter School plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the Charter School's Financial Management

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Charter School's finances and to show the Charter School's accountability for the money it receives. If you have questions about this report or need additional information, contact Deborah Pontoriero, Business Administrator, at Riverbank Charter School of Excellence, 1300 Hornberger Avenue, Roebling, New Jersey 08554.

BASIC FINANCIAL STATEMENTS

SECTION A – CHARTER SCHOOL-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the Charter School. These statements include the financial activities of the overall Charter School, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the Charter School.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
Statement of Net Position
June 30, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 56,766	\$ 2,820	\$ 59,586
Interfund Receivables	21,075	8,344	29,419
Receivables	2,994	664	3,658
Security Deposit	22,110	-	22,110
Total Assets	102,945	11,828	114,773
DEFERRED OUTFLOWS OF RESOURCES:			
Pensions	274,469	-	274,469
Total Deferred Outflows of Resources	274,469	-	274,469
LIABILITIES:			
Interfund Payable	684	-	684
Noncurrent Liabilities:			
Net Pension Liability	471,868	-	471,868
Total Liabilities	472,552	-	472,552
DEFERRED INFLOWS OF RESOURCES:			
Pensions	7,587	-	7,587
Total Deferred Inflows of Resources	7,587	-	7,587
NET POSITION:			
Unassigned	(102,725)	11,828	(90,897)
Total Net Position	\$ (102,725)	\$ 11,828	\$ (90,897)

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Statement of Activities
For The Fiscal Year Ended June 30, 2016

Functions/Programs	Expenses	Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes In Net Position			
			Charges for Services	Grants and Contributions	Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
GOVERNMENTAL ACTIVITIES:									
Instruction	\$ 773,959	\$ 231,928	\$ -	\$ 23,638	-	\$ (982,249)	\$ -	\$ (982,249)	
Administration	619,413	103,035	-	-	-	(722,448)	-	(722,448)	
Support Services	188,044	-	-	-	-	(188,044)	-	(188,044)	
Total Governmental Activities	1,581,416	\$ 334,963	-	23,638	-	(1,892,741)	-	(1,892,741)	
BUSINESS-TYPE ACTIVITIES:									
Food Service	25,282		11,535	14,553	-	-	806	806	806
Total Business-Type Activities	25,282		11,535	14,553	-	-	806	806	806
Total Primary Government	\$ 1,606,698		\$ 11,535	\$ 38,191	\$ -	\$ (1,892,741)	\$ 806	\$ (1,891,935)	
GENERAL REVENUES									
General Purposes						\$ 900,838	\$ -	\$ 900,838	
Federal and State Aid Not Restricted						754,617	-	754,617	
Total General Revenues						1,655,455	-	1,655,455	
Change in Net Position						(237,286)	806	(236,480)	
Net Position - Beginning of Year						134,561	11,022	145,583	
Net Position - Ending						\$ (102,725)	\$ 11,828	\$ (90,897)	

SECTION B – FUND FINANCIAL STATEMENTS

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

GOVERNMENTAL FUNDS

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Governmental Funds
Balance Sheet
June 30, 2016

	General Fund	Special Revenue Fund	Total
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 56,082	\$ 684	\$ 56,766
Interfund Receivables	21,075		21,075
Receivables From Other Governments	2,994		2,994
Other Assets	22,110	-	22,110
Total Current Assets	102,261	684	102,945
Total Assets	\$ 102,261	\$ 684	\$ 102,945
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Current Liabilities:			
Interfund Payables	\$ -	\$ 684	\$ 684
Payable to District			
Accounts Payable			
Total Current Liabilities	-	684	684
Total Liabilities	-	684	684
Fund Balances:			
Unassigned:			
General Fund	102,261	-	102,261
Total Fund Balances	102,261	-	102,261
Total Liabilities and Fund Balances	\$ 102,261	\$ 684	

Amounts reported for *governmental activities* in the statement of net assets (A-1)

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Net pension liability of \$471,868 ,plus deferred inflows of resources of \$7,587 less deferred outflows of resources of \$274,469 related to pensions are not reported in the governmental funds	(204,986)
Net Position of Governmental Activities	\$ (102,725)

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 For the Fiscal Year Ended June 30, 2016

	General Fund	Special Revenue Fund	Total
REVENUES:			
Local Sources:			
Local Tax Levy	\$ 900,838	\$ -	\$ 900,838
Miscellaneous			
Total Local Sources	900,838	-	900,838
State Sources	742,823		742,823
Federal Sources	-	35,432	35,432
Total Revenues	1,643,661	35,432	1,679,093
EXPENDITURES:			
Instruction	763,539	10,420	773,959
Administration	897,421	-	897,421
Support Services	163,032	25,012	188,044
Capital Outlay	-		
Total Expenditures	1,823,992	35,432	1,859,424
NET CHANGE IN FUND BALANCES	(180,331)	-	(180,331)
FUND BALANCES, JULY 1	282,592	-	282,592
FUND BALANCES, JUNE 30	\$ 102,261	\$ -	\$ 102,261

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Reconciliation of the Statement of Revenues, Expenditures
 And Changes in Fund Balances of Governmental Funds
 To the Statement of Activities
 For the Fiscal Year Ended June 30, 2016

Total net change in fund balances - governmental fund (from B-2)	<u>\$ (180,331)</u>
Amounts reported for governmental activities in the statement of activities (A-2)	-
Amounts reported for governmental activities in the statement of activities (A-2) are different because:	
Pension costs associated with the PERS pension plan are reported in the governmental funds as expenditures in the year the school pension contribution is paid. However, on the statement of activities, the net difference between the current and prior year net pension liability is recognized	<u>(56,955)</u>
Change in net position of governmental activities	<u><u>\$ (237,286)</u></u>

The accompanying Notes to Basic Financial Statements are integral part of this statement.

PROPRIETARY FUNDS

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Proprietary Fund
Statement of Net Position
June 30, 2016

	Business-Type Activities
	<u>Food Service</u>
ASSETS:	
Cash and Cash Equivalents	\$ 2,820
Intergovernmental Accounts Receivables:	
Due From Other Funds	8,344
Receivables From Other Government-Federal	644
Receivables From Other Government-State	<u>20</u>
Total Assets	<u>\$ 11,828</u>
LIABILITIES AND NET POSITION:	
NET POSITION:	
Unassigned	<u>11,828</u>
Total Net Position	<u>11,828</u>
Total Liabilities and Net Position	<u>\$ 11,828</u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
Proprietary Fund
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2016

	Business-Type Activities
	Food Service
OPERATING REVENUES:	
Charges for Services:	
Daily Sales Non-reimbursable Program	\$ 11,535
Total Operating Revenues	11,535
OPERATING EXPENSES:	
Cost of Sales	25,248
Miscellaneous Expenses	34
Total Operating Expenses	25,282
OPERATING INCOME	(13,747)
NONOPERATING REVENUES:	
State Source:	
State Lunch Program	445
Federal Source:	
Federal Lunch Program	14,108
Total Nonoperating Revenues	14,553
CHANGE IN NET POSITION	806
TOTAL NET POSITION, JULY 1	11,022
TOTAL NET POSITION, JUNE 30	\$ 11,828

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Proprietary Funds
 Statement of Cash Flows
 For The Fiscal Year Ended June 30, 2016

	Business-Type Activities Food Service
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from Customers	11,535
Cash Payments to Suppliers and Employees	(29,097)
Net Cash Used by Operating Activities	(17,562)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Cash Received from Federal and State Reimbursements	14,553
Net Cash Provided by Noncapital Financing Activities	14,553
Net Increase in Cash and Cash Equivalents	(3,009)
Cash and Cash Equivalents, July 1	5,829
Cash and Cash Equivalents, June 30	\$ 2,820
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income Provided by Operating Activities	\$ (13,747)
Changes in Assets and Liabilities:	
Increase in Interfund Accounts Receivable	(2,500)
Increase in Intergovernmental Accounts Receivable	287
Increase in Accounts Payable	(1,602)
Net Cash Used by Operating Activities	\$ (17,562)

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

FIDUCIARY FUNDS

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Fiduciary Fund
Statement of Fiduciary Net Position
June 30, 2016

	Agency Fund
ASSETS:	
Cash and Cash Equivalents	\$ 28,735
Total Assets	\$ 28,735
 LIABILITIES:	
Liabilities:	
Interfund Payable	\$ 28,735
Total Liabilities	\$ 28,735

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
Notes to the Financial Statements
June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Riverbank Charter School of Excellence have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the accounting standard-setting body responsible for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Charter School are described below.

A. Reporting Entity

The Charter School is an instrumentality of the State of New Jersey, established to function as an educational institution. The school is governed by an independent Board of Trustees, which consists of parents, founders and other community representatives in accordance with its charter, which was appointed by the State Department of Education. An administrator is appointed by the board and is responsible for the administrative control of the Charter School.

The primary criterion for including activities within the Charter School's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the School. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

The combined financial statements include all funds and account groups for the Charter School over which the Board of Trustees exercises operating control.

B. Basis of Presentation

The Charter School's basic financial statements consist of Charter School-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Charter School-wide Statements: The statement of net position and the statement of activities display information about the Charter School as a whole. These statements include the financial activities of the overall Charter School, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the Charter School. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Basis of Presentation (Continued)

The statement of net position presents the financial condition of the governmental and business-type activities of the Charter School at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the Charter School and for each function of the Charter School's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the Charter School.

Fund Financial Statements: During the fiscal year, the Charter School segregates transactions related to certain Charter School functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the Charter School's funds, including its fiduciary funds. Separate statements for each fund category — *governmental, proprietary, and fiduciary* — are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey Charter Schools to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among Charter School financial reporting models.

The Charter School reports the following governmental funds:

General Fund: The general fund is the general operating fund of the Charter School and is used to account for all expendable financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the capital outlay subfund.

As required by the New Jersey State Department of Education, the Charter School includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, Charter School taxes, and

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Basis of Presentation (Continued)

appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by Board resolution.

Special Revenue Fund: The special revenue fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund: The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund: Not Applicable.

The Charter School reports the following proprietary funds:

Enterprise (Food Service) Fund: This enterprise fund accounts for all revenues and expenses pertaining to the cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the Charter School reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the Charter School on behalf of others and include the Payroll Agency Fund, Net Payroll Account and Student Activities.

C. Basis of Accounting – Measurement Focus

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

Charter School-wide, Proprietary, and Fiduciary Fund Financial Statements: The Charter School-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting – Measurement Focus

presentation of expenses versus expenditures. The Charter School is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an “accounts receivable”. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business-type activities and enterprise funds of the Charter School follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. Budgets are prepared using the modified accrual basis of accounting except for special revenue funds as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2 (m) 1. All budget amendments/transfers must be approved by School Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control (Continued)

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles (GAAP) with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The following presents a reconciliation of the special revenue funds from the budgetary basis of accounting to the GAAP basis of accounting:

	<u>2016</u>	<u>2015</u>
Total Revenues & Expenditures (Budgetary Basis)	\$ 35,432	\$ 92,328
Adjustments:		
Less Encumbrances at June 30, 2016	-	-
Plus Encumbrances at June 30, 2015	-	-
Total Revenues and Expenditures (GAAP Basis)	<u>\$ 35,432</u>	<u>\$ 92,328</u>

E. Encumbrances Accounting

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds, other than the special revenues fund, are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the Charter School has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, and Equity

Interfund Transactions:

Transfers between governmental and business-type activities on the Charter School-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method.

Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Capital Assets:

The Charter School has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The Charter School does not possess any infrastructure. The capitalization threshold used by Charter Schools in the State of New Jersey is \$2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Office & Computer Equipment	5-10

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Equity (Continued)

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

Compensated Absences:

The Charter School employees do not accumulate sick leave, therefore, no liability is reflected in the basic financial statements.

Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations:

All payables, accrued liabilities, and long-term obligations are reported on the Charter School-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

Net Position:

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Charter School or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Charter School's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance Reserves:

The Charter School reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances in accordance with N.J.S.A. 18:7.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Equity (Continued)

Revenues — Exchange and Non-exchange Transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Charter School, available means within sixty days of the fiscal year end.

Non-exchange transactions, in which the Charter School receives value without directly giving equal value in return, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Charter School must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Charter School on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

*Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal yearend: property taxes available as an advance, interest, and tuition.

Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the Charter School, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

Allocation of Indirect Expenses

The Charter School reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Equity (Continued)

Allocation of Indirect Expenses (Continued)

not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Extraordinary and Special Items:

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Management Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Accrued Salaries and Wages

Certain Charter School employees who provide services to the Charter School over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

G. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net pension of the State of New Jersey Public Employees' Retirement System (PERS) and the State of New Jersey Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's net position have been determined on the same basis as they are reported by the PERS and the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension Plan investments are reported at fair value.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

For the year ended June 30, 2016, the Charter School implemented GASB Statement No. 72, *Fair Value Measurement and Application*. As a result of implementing this statement, the Charter School is required to measure certain investments at fair value for financial reporting purposes. In addition, the Charter School is required to measure donated capital assets at acquisition value (an entry price); these assets were previously required to be measured at fair value. Statement No. 72 requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. Implementation of this Statement did not impact the Charter School's financial statements.

The Charter School implemented GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Implementation of this Statement did not impact the Charter School's financial statements.

The Charter School implemented GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. Implementation of this Statement did not impact the Charter School's financial statements.

Recently Issued and Adopted Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the Charter School's financial statements.

Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB*

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impact of Recently Issued Accounting Principles (Continued)

Recently Issued and Adopted Accounting Pronouncements (Continued)

Measurements by Agency Employers and Agent Multi-Employer Plans, for OPEB Statement No. 74, *Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB Plans. This Statement will be effective for the year ended June 30, 2018. Management has not yet determined the potential impact on the Charter School's financial statements.

Statement No. 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose information about those agreements. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the Charter School's financial statements.

Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the Charter School's financial statements.

Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the Charter School's financial statements.

Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. This Statement will be effective for the year ended June 30, 2018.

Management does not expect this Statement to impact the Charter School's financial statements.

Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement will be effective for the year ended June 30, 2018. Management does not expect this Statement to impact the Charter School's financial statements.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Impact of Recently Issued Accounting Principles (Continued)

Recently Issued and Adopted Accounting Pronouncements (Continued)

Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, 68 and 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within The Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement will be effective for the year ended June 30, 2018. Management has not yet determined the potential impact on the Charter School's financial statements.

NOTE 2: **CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, money market accounts and short-term investments with original maturities of three months or less.

Investments are stated at cost, or amortized cost, which approximates market. The amortized cost method involves valuing a security at its cost on the date of purchase and thereafter assuming a constant amortization to maturity of any discount or premium. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 3 requires disclosure of the level of custodial credit risk assumed by the Board in its cash, cash equivalents and investments.

Category 1 includes deposits/investments held by the Board's custodial bank trust department or agent in the Board's name. Category 2 includes uninsured and unregistered deposits/investments held by the Board's custodial bank trust department or agent in the Board's name. Category 3 includes uninsured or unregistered deposits/investments held by a broker or dealer, or held by the Board's custodial bank trust department or agent but not in the Board's name. These categories are not broad representations that deposits or investments are "safe" or "unsafe".

Deposits

New Jersey statutes require that Charter Schools deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. Charter Schools are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

Deposits (Continued)

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least five percent of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments

New Jersey statutes permit the Board to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase
- c. Bonds or other obligations of the Charter School.

As of June 30, 2016, cash and cash equivalents and investments of the Charter School consisted of the following:

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Proprietary Fund</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Operating Account	<u>\$ 56,082</u>	<u>\$ 684</u>	<u>\$ 2,820</u>	<u>\$28,735</u>	<u>\$ 88,321</u>

The investments recorded in the Charter School-wide statements have been recorded at amortized cost. In accordance with GASB 31, participating interest earning investment contracts that have a remaining maturity at the time of purchase of one year or less may be reported at amortized cost. For those securities purchased more than one year from the maturity date, the difference between the carrying amount and market value is not material to the Charter School-wide statements. The carrying

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

amount of the Board's cash and cash equivalents at June 30, 2016 was \$88,321 and the bank balance was \$93,444. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes.

Risk Category

All bank deposits, as of the balance sheet date, are entirely insured or collateralized by a collateral pool maintained by public depositories as required by the Governmental Unit Deposit Protection Act. In general, bank deposits are classified as to credit risk by three categories described below:

Category 1 — Insured or collateralized with securities held by the Board or by its agent in the Board's name.

Category 2 — Collateralized with securities held by the pledging public depository's trust department or agent in the Board's name.

Category 3 — Uncollateralized, including any deposits that are collateralized with securities held by the pledging public depository, or by its trust department or agent, but not in the Board's name.

As of June 30, 2016, the Board had funds invested and on deposit in checking accounts. These funds constitute deposits with financial institutions" as defined by GASB Statement No. 3 and are classified as Category 1, both at year-end and throughout the year.

New Jersey Cash Management Fund

All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of June 30, 2016, the Charter School had no funds on deposit with the New Jersey Cash Management Fund.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 3: RECEIVABLES

Receivables at June 30, 2016, consisted of accounts (tuition), intergovernmental, grants, and miscellaneous.

All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	<u>Statements</u>	<u>Statements</u>
State Aid	\$ -	\$ 20
Federal Aid	-	644
Other	<u>2,994</u>	<u>2,994</u>
Gross Receivables	2,994	3,658
Less: Allowance for Uncollectibles	-	-
Total Receivables, Net	<u><u>\$ 2,994</u></u>	<u><u>\$ 3,658</u></u>

NOTE 4: INTERFUND TRANSFERS AND BALANCES

Transfers between funds are used to repay expenses paid by another fund.

The following interfund balances remained on the fund financial statements at June 30, 2016:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 21,075	\$ -
Special Revenue Fund		684
Proprietary Fund	8,344	
Fiduciary Fund		<u>28,735</u>
Total	<u><u>\$ 29,419</u></u>	<u><u>\$ 29,419</u></u>

NOTE 5: CAPITAL ASSETS

In January 11, 2001, the New Jersey State Department of Education announced that effective July 1, 2001, the capitalization threshold used by Charter Schools in the State of New Jersey is increased to \$2,000. The previous threshold was \$500.

For the fiscal year ended June 30, 2016, there were no assets that exceeded the threshold amounts.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 6: RENTAL LEASE

The school leased space at the premises located at 1238-1300 Hornberger Avenue, Roebling, NJ under a lease agreement for five years commencing July 1, 2009 and ending June 30, 2014. This lease was renewed on July 1, 2014 for another five (5) year term. The lease requires annual rental payments of \$132,660 for the five year term. In addition, the school is responsible for all utilities and certain building maintenance items as set forth in the lease. Rent Expense amounted to \$132,660 for the year ended June 30, 2016.

NOTE 7: PENSION PLANS

Substantially all the Board's employees participate in one of the two contributory, defined benefit public employee systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP).

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees; Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS. The following represents the membership tiers for PERS:

Tier	Descriptions
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008, 2010 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
Notes to the Financial Statements
June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Benefits Provided (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to tier 5 members upon 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members retires prior to the age of which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 15A and required contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability.

Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability.

The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Charter School contributions to PERS amounted to \$18,072 for fiscal year 2016.

Pension Liabilities Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the Charter School reported a liability of \$471,868 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015 which was rolled forward to June 30, 2014. The Charter School's proportion of the net pension liability was based on a projection of the Charter School's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2015, the Charter School's proportion was 0.00210205%, which was an increase of 0.00023678% from its proportion measured as of June 30, 2014.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Pension Liabilities Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the fiscal year ended June 30, 2015, the Charter School recognized pension expense of \$15,377. At June 30, 2015, the Charter School reported deferred outflows of resources and deferred related to pensions from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	\$ 50,675	\$ -
Difference Between Expected and Actual Experience	11,257	-
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	-	7,587
	<u>\$ 61,932</u>	<u>\$ 7,587</u>

Amounts reported as deferred outflows of resources and deferred inflows resources (excluding employer specific amounts including changes in proportion) related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Total
2016	\$ 9,894
2017	9,894
2018	9,894
2019	15,757
2020	8,907
	<u>\$ 54,345</u>

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuations as of July 1, 2014. This actuarial valuations used the following actuarial assumptions, applied to all periods in the measurement.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
Notes to the Financial Statements
June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Actuarial Assumptions (Continued)

Inflation Rate	3.04%
Salary Increases:	
2012-2021	2.15-4.40% based on age
Thereafter	3.15-5.40% based on age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension and Benefits, the Board of Trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2015 are summarized in the following table:

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Long Term Expected Rate of Return (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
Core Bonds	1.75%	1.64%
Intermediate-Term Bonds	10.00%	1.79%
Mortgage	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad U.S. Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%

Discount Rate

The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
Notes to the Financial Statements
June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Sensitivity of the Charter School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Charter School's proportionate share of the collective net pension liability as of June 30, 2015 calculated using the discount rate as disclosed below, as well as what the Charter School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Fiscal Year Ended June 30, 2015			
	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
Charter School's proportionate share of the Net Pension Liability	\$ 586,475	\$ 471,868	\$ 375,783

Fiscal Year Ended June 30, 2014			
	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
Charter School's proportionate share of the Net Pension Liability	\$ 439,342	\$ 349,229	\$ 273,557

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Teacher's Pension Annuity Fund (TPAF)

Pension Description

The State of New Jersey, Teacher's Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 7: **PENSION PLANS (CONTINUED)**

Benefit Provided (Continued)

The vesting and benefit provision are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested of 2% of related interest earned on the contributions. In the case of death before retirement, member's beneficiaries are entitled to full interest credited to the member's accounts. The following represents the membership tiers for TPAF:

Tier	Descriptions
1	M Members who were enrolled prior to July 1, 2007
2	M Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	M Members who were eligible to enroll on or after November 2, 2008, 2010 and prior to May 22, 2010
4	M Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	M Members who were eligible to enroll on or after June 28, 2011

Contributions

The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For Fiscal year 2014 and 2013, the State's pension contribution was less than the actuarially determined amount.

The Employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the Charter School.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Contributions (Continued)

This note discloses the portion of the Charter School's total proportionate share of the net pension liability that is associated with the Charter School. During the fiscal years ended 2015, the State of New Jersey contributed \$27,730 to the TPAF for normal pension benefits on behalf of the Charter School, which is less than the contractually required contribution of \$25,289.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As June 30, 2015, the State's proportionate share of the net pension liability associated with the Charter School was \$4,180,014. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2015.

The Charter School's proportion of the net pension liability was based on a projection of the Charter School's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2015, Charter School's proportion was 0.0066135%, which was an increase of 0.0006602% from its proportion measured as of June 30, 2014.

Charter School's Proportionate Share of the Net Pension Liability	\$	-
State's Proportionate Share of the Net Pension Liability Associated with the Charter School		<u>4,180,014</u>
Total	\$	<u><u>4,180,014</u></u>

For the fiscal year ended June 30, 2015, the State recognized pension expense on behalf of the Charter School in the amount of \$ 35,543 and the Charter School recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2016 financial statements.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
Notes to the Financial Statements
June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	\$ 7,200,153,386	\$ -
Difference Between Expected and Actual Experience	321,224,871	19,039,817
Changes in Proportion and differences between employer contributions and proportionate share of contributions	117,933,318	117,933,318
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		535,359,188

The \$7,639,311,575 reported as deferred outflows of resources related to pensions resulting from changes in assumptions will be amortized over a period of 8.5 years. The \$672,332,323 reported as a deferred inflow of resources resulting from the difference between projected and actual.

Fiscal Year Ending June 30,	Total
2016	\$ 818,433,596
2017	818,433,596
2018	818,433,598
2019	1,253,742,742
2020	1,061,100,680
Thereafter	2,196,835,040
	6,966,979,252

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Health Annuitant Mortality Tables for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 200 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension investments (7.9% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension and Benefits, the Board of Trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF' target asset allocation as of June 30, 2015 is summarized in the following table:

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Long Term Expected Rate of Return (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Cash	5.00%	0.53%
US Government Bonds	1.75%	1.39%
US Credit Bonds	13.50%	2.72%
US Mortgages	2.10%	2.54%
US Inflation-Indexed Bonds	1.50%	1.47%
US High Yield Bonds	2.00%	4.57%
U.S. Equity Markets	27.25%	5.63%
Foreign Developed Equity	12.00%	6.22%
Emerging Market Equities	6.40%	8.46%
Private Real Estate Property	4.25%	3.97%
Timber	1.00%	4.09%
Farmland	1.00%	4.61%
Private Equity	9.25%	9.15%
Commodities	1.00%	3.58%
Hedge Funds- Multi Strategy	4.00%	4.59%
Hedge Funds- Equity Hedge	4.00%	5.68%
Hedge Funds- Distressed	4.00%	4.30%

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 4.13% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9% and a municipal bond rate of 3.80% as of June 30, 2015, respectively based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the average of the last five years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on applied to projected benefit payments after that date in determining the total pension liability.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
Notes to the Financial Statements
June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Sensitivity of the Charter School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the State as of June 30, 2015 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

For the Fiscal Year Ended June 30, 2015			
	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
Charter School's proportionate share of the Net Pension Liability	\$ 4,997,155	\$ 4,203,399	\$ 3,521,994

For the Fiscal Year Ended June 30, 2014			
	1% Decrease (3.68%)	Current Discount Rate (4.68%)	1% Increase (5.68%)
Charter School's proportionate share of the Net Pension Liability	\$ 3,853,162	\$ 3,203,661	\$ 2,663,445

Pension Plan Fiduciary Net Position – TPAF

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625-0295.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 7: PENSION PLANS (CONTINUED)

Defined Contribution Retirement Program (DCRP) (CONTINUED)

The contribution policy is set by the New Jersey Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by the State of New Jersey regulation. Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits, and post-retirement medical premiums.

For DCRP, the Charter School recognized no pension expense for the fiscal year ended June 30, 2016. There were no employee contributions to DCRP for the fiscal year ended June 30, 2016.

NOTE 8: POST-RETIREMENT BENEFITS

P.L. 1987, c.384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2015 there were 107,314 retirees receiving post-retirement medical benefits, and the State contributed \$1.25 billion on their behalf. The cost of these benefits is funded through contributions by the state in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The state is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The state paid \$214.1 million toward Chapter 126 benefits for 19,056 eligible retired members in Fiscal Year 2015.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Notes to the Financial Statements

June 30, 2016

NOTE 9: RISK MANAGEMENT

The Charter School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance

The Charter School maintains commercial insurance coverage for property, liability, student accident, and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

NOTE 10: FUND BALANCE

General Fund

The General Fund surplus in the financial statements at June 30, 2016, was \$102,261, and is unreserved and undesignated.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

SECTION C – BUDGETARY COMPARISON SCHEDULE

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
REVENUES:					
Local Sources:					
"Local Levy" Local Share - Charter School Aid	\$ 900,838	\$ -	\$ 900,838	\$ 900,838	\$ -
Total Local Sources	900,838	-	900,838	900,838	-
Categorical Aid:					
"Local Levy" State Share - Charter School Aid	531,234	-	531,234	531,234	-
Special Education	23,638	-	23,638	23,638	-
Security Aid	6,431	-	6,431	6,431	-
Total Categorical Aid	561,303	-	561,303	561,303	-
Revenues From Other Sources:					
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	53,147	53,147
Reimbursed Pension Contributions (Non-Budgeted)				128,373	128,373
Miscellaneous Revenue					
Total Revenues From Other Sources	-	-	-	181,520	181,520
Total Revenues	1,462,141	-	1,462,141	1,643,661	181,520
EXPENDITURES:					
Instruction:					
Salaries of Teachers	550,046	173,099	723,145	723,145	-
Other Salaries for Instruction	18,200	(18,200)	-	-	-
Purchased Prof/Tech Services	13,300	(9,054)	4,246	4,246	-
Other Purchased Services	8,500	3,925	12,425	12,425	-
General Supplies	30,000	(6,277)	23,723	23,723	-
Textbooks	6,500	(6,500)	-	-	-
Miscellaneous	20,000	(20,000)	-	-	-
Total Instruction	646,546	116,993	763,539	763,539	-
Administration:					
Salaries - General Administration	265,000	13,418	278,418	278,418	-
Salaries of Secretarial/Clerical Assistants	55,000	(7,517)	47,483	47,483	-
Total Benefits Cost	187,640	90,541	278,181	278,181	-
Purchases Prof/Tech Services	28,500	28,839	57,339	57,339	-
Other Purchased Services	21,500	25,102	46,602	46,602	-
Communications/Telephone	2,200	2,342	4,542	4,542	-
Supplies and Materials	12,500	(9,612)	2,888	2,888	-
Miscellaneous Expenses	6,000	(5,552)	448	448	-
Total Administration	578,340	137,561	715,901	715,901	-

See Management's Discussion and Analysis section of this report for an explanation of significant budget variances, original and final.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
(Continued from Prior Page)					
Support Services:					
Rental of Land and Buildings	\$ 150,506	\$ (17,846)	\$ 132,660	\$ 132,660	\$ -
Transportation-Other Than To/From School	2,000	(2,000)	-	-	-
Insurance for Property, Liability and Fidelity	11,500	(380)	11,120	11,120	-
Supplies and Materials	8,000	(4,924)	3,076	3,076	-
Energy Costs (Heat and Electricity)	21,000	(4,824)	16,176	16,176	-
Miscellaneous Expenses	6,000	(6,000)	-	-	-
Total Support Services	199,006	(35,974)	163,032	163,032	-
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	53,147	(53,147)
Reimbursed Pension Contributions (Non-Budgeted)				128,373	(128,373)
Total Expenditures	1,423,892	218,580	1,642,472	1,823,992	(181,520)
Excess (Deficiency) of Revenues Over (Under) Expenditures	38,249	(218,580)	(180,331)	(180,331)	-
FUND BALANCE, JULY 1	271,838	-	271,838	282,592	(10,754)
FUND BALANCE, JUNE 30	\$ 310,087	\$ (218,580)	\$ 91,507	\$ 102,261	\$ (10,754)
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	\$ 310,087	\$ (218,580)	91,507	\$ 102,261	\$ 10,754
Total	\$ 310,087	\$ (218,580)	\$ 91,507	\$ 102,261	\$ 10,754

See Management's Discussion and Analysis section of this report for an explanation of significant budget variances, original and final.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Special Revenue Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:					
Federal Sources	\$ 35,432	\$ -	\$ 35,432	\$ 35,432	\$ -
Total Revenues	35,432	-	35,432	35,432	-
EXPENDITURES:					
Instruction:					
Salaries of Teachers	10,420	-	10,420	10,420	-
Total Instruction	10,420	-	10,420	10,420	-
Support Services:					
Personal Services - Employee Benefits	2,709	-	2,709	2,709	-
Purchased Prof/Ed Services	22,303	-	22,303	22,303	-
Total Support Services	25,012	-	25,012	25,012	-
Total Expenditures	35,432	-	35,432	35,432	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Budgetary Comparison Schedule
Budget-To-GAAP Reconciliation
Note to RSI
For the Fiscal Year Ended June 30, 2016

Note A - Explanation of differences between Budgetary Inflows and GAAP Revenues and Expenditures

	<u>General Fund</u>		<u>Special Revenue Fund</u>
Sources/Inflows of Resources			
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	[C-1] \$ 1,643,661		[C-2] \$ 35,432
 Difference - Budget to GAAP Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized			-
 Total revenues as reports on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2] \$ <u>1,643,661</u>		[B-2] \$ <u>35,432</u>
 Uses/Outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 1,823,992		[C-2] \$ 35,432
 Differences - Budget to GAAP: Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial accounting purposes.			-
 Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$ <u>1,823,992</u>		[B-2] \$ <u>35,432</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART III

***SCHEDULE L - SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR
PENSIONS (GASB 68)***

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF THE CHARTER SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST 3 FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,		
	2014	2015	2016
Charter School's proportion of the net pension liability	0.00055808%	0.00186527%	0.002102051%
Charter School's proportionate share of the net pension liability	\$ 106,660	\$ 349,229	\$ 471,868
Charter School's covered employees payroll	\$ 333,924	\$ 304,858	\$ 47,050
Charter School's proportionate share of the net pension liability as a percentage of it's covered employee payroll	32%	115%	1003%
Plan fiduciary net position as a percentage of the total pension liability	48.72%	52.08%	47.93%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

**RIVERBANK CHARTER SCHOOL OF EXCELLENCE
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF THE CHARTER SCHOOL CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST 3 FISCAL YEARS
UNAUDITED**

	Fiscal Year Ending June 30,		
	2014	2015	2016
Contractually required contribution	\$ 4,205	\$ 15,377	\$ 18,072
Contributions in relation to the contractually required contribution	<u>(4,205)</u>	<u>(15,377)</u>	<u>(18,072)</u>
Contribution deficiency/(excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Charter School's covered employee payroll	\$ 333,924	\$ 304,858	\$ 47,050
Contributions as a percentage of covered employee payroll	1.26%	5.04%	38.41%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF THE CHARTER SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER'S PENSION AND ANNUITY FUND
LAST 3 FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,		
	2014	2015	2016
State's proportion of the net pension liability attributable of the Charter School	0.0129349%	0.0059533%	0.00661350%
State's proportionate share of the net pension liability attributable to the Charter School	\$ 2,295,341	\$ 3,181,852	\$ 4,180,014
Charter School's covered employees payroll	\$ 496,674	\$ 672,394	\$ 796,246
Charter School's proportionate share of the net pension liability as a percentage of it's covered employee payroll	462.14%	473.21%	524.97%
Plan fiduciary net position as a percentage of the total pension liability	33.76%	33.64%	28.71%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION III

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR FISCAL YEAR ENDED JUNE 30, 2016

A. Benefit Changes

There were none.

B. Changes in Assumptions

The discount rate changed from 5.39% as of June 30, 2014 to 4.90% as of June 30, 2015.
The inflation rate changed from 3.01% as of as of June 30, 2014 to 3.04% as of June 30, 2015

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
TEACHER'S PENSION AND ANNUITY FUND
FOR FISCAL YEAR ENDED JUNE 30, 2016

A. Benefit Changes

There were none.

B. Changes in Assumptions

The discount rate changed from 4.68% as of June 30, 2014 to 5.39% as of June 30, 2015.

OTHER SUPPLEMENTARY INFORMATION

**SECTION E – SPECIAL REVENUE FUND
DETAIL STATEMENTS**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expandable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Special Revenue Fund
 Combining Schedule of Revenues and Expenditures
 Budgetary Basis
 For the Fiscal Year Ended June 30, 2016

	Title I	Title II Part A	IDEA Basic	Total
Revenues:				
Federal Sources	\$ 13,129	\$ 233	\$ 22,070	\$ 35,432
Total Revenues	<u>\$ 13,129</u>	<u>\$ 233</u>	<u>\$ 22,070</u>	<u>\$ 35,432</u>
Expenditures:				
Instruction:				
Salaries of Teachers	\$ 10,420	\$ -	\$ -	\$ 10,420
Purchased Prof/Tech Services				-
Total Instruction	<u>10,420</u>	<u>-</u>	<u>-</u>	<u>10,420</u>
Support Services:				
Personal Services/Employee Benefits	2,709	-		2,709
Purchased Prof/Ed Services	-	233	22,070	22,303
Total Support Services	<u>2,709</u>	<u>233</u>	<u>22,070</u>	<u>25,012</u>
Total Expenditures	<u>13,129</u>	<u>233</u>	<u>22,070</u>	<u>35,432</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SECTION G – PROPRIETARY FUNDS
DETAIL STATEMENTS**

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the Charter School’s board is that the costs of providing goods or services be financed through user charges.

Food Services Fund – This fund provides for the operation of food service in all Charter School.

**THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5, AND
B-6.**

**SECTION H – FIDUCIARY FUNDS
DETAIL STATEMENT**

Fiduciary Funds are used to account for funds received by the Charter School for a specific purpose.

Agency Funds are used to account for assets held by the Charter School as an agent for individuals, private organizations, other governments and/or other funds.

Payroll Fund – this agency fund is used to account for payroll transactions of the charter school.

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Fiduciary Funds
 Combining Statement of Fiduciary Net Position
 June 30, 2016

	Agency Fund		Total
	Payroll Agency	Payroll Account	Agency Fund
ASSETS:			
Cash and Cash Equivalents	\$ 21,802	\$ 6,933	\$ 28,735
Total Assets	\$ 21,802	\$ 6,933	\$ 28,735
LIABILITIES:			
Liabilities:			
Interfund Payable	\$ 21,802	\$ 6,933	\$ 28,735
Total Liabilities	\$ 21,802	\$ 6,933	\$ 28,735

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Fiduciary Funds
 Payroll Agency Funds
 Schedule of Receipts and Disbursements
 June 30, 2016

	Balance July 1, 2015	Cash Receipts	Cash Disbursements	Balance June 30, 2016
ASSETS:				
Cash and Cash Equivalents	\$ 14,519	\$ 348,005	\$ 340,722	\$ 21,802
Total Assets	\$ 14,519	\$ 348,005	\$ 340,722	\$ 21,802
LIABILITIES:				
Interfund Accounts Payable	\$ 14,519	\$ 348,005	\$ 340,722	\$ 21,802
Totals	\$ 14,519	\$ 348,005	\$ 340,722	\$ 21,802

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**STATISTICAL SECTION
(UNAUDITED)**

Riverbank Charter School of Excellence has been in operation for seven (7) years. GASB requires that ten years of statistical data be presented. State law usually grants charters for less than ten years. Therefore, only statistical data for seven (7) years are available and have been presented. Each year thereafter, an additional year's data will be included until ten years of data is presented.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the charter school's financial performance and well being have changed over time.

Revenue Capacity (Not Applicable To Charter School)

These schedules contain information to help the reader assess the Charter School's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the charter school's current levels of outstanding debt and the charter school's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the charter school's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the charter school's financial report relates to the services the Charter School provides and the activities it performs.

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The charter school implemented GASB Statement 34 in the fiscal year ending June 30, 2010; schedules presenting charter school-wide information include information beginning in that year.*

FINANCIAL TRENDS

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Net Assets/Position by Component
 Last Seven Fiscal Years
(accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010
Governmental Activities							
Unrestricted	\$ (102,725)	134,561	\$ 289,501	\$ 330,428	\$ 245,713	\$ 137,575	\$ (5,826)
Total Governmental Activities Net Assets/Position	<u>\$ (102,725)</u>	<u>\$ 134,561</u>	<u>\$ 289,501</u>	<u>\$ 330,428</u>	<u>\$ 245,713</u>	<u>\$ 137,575</u>	<u>\$ (5,826)</u>
Business-Type Activities							
Unrestricted	\$ 11,828	\$ 11,022	\$ 10,849	\$ 12,528	\$ 12,888	\$ 10,764	\$ 4,577
Total Business-Type Activities Net Assets/Position	<u>\$ 11,828</u>	<u>\$ 11,022</u>	<u>\$ 10,849</u>	<u>\$ 12,528</u>	<u>\$ 12,888</u>	<u>\$ 10,764</u>	<u>\$ 4,577</u>
Charter School-wide							
Unrestricted	\$ (90,897)	\$ 145,583	\$ 300,350	\$ 342,956	\$ 258,601	\$ 148,339	\$ (1,249)
Total Charter School-wide Net Assets/Position	<u>\$ (90,897)</u>	<u>\$ 145,583</u>	<u>\$ 300,350</u>	<u>\$ 342,956</u>	<u>\$ 258,601</u>	<u>\$ 148,339</u>	<u>\$ (1,249)</u>

Source: Charter School's Records

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Changes in Net Assets/Position
 Last Seven Fiscal Years
(accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010
Expenses							
Governmental Activities:							
Instruction	\$ 1,005,887	962,257	771,055	896,360	767,187	534,634	441,435.00
Administration	722,448	588,719	762,587	441,606	448,514	335,023	360,701
Support Services	188,044	243,721	159,199	147,945	147,469	133,592	184,095
Capital Outlay	-	10,695	-	-	-	73,868	36,426
Total Governmental Activities Expenses	<u>1,916,379</u>	<u>1,805,392</u>	<u>1,692,841</u>	<u>1,485,911</u>	<u>1,363,170</u>	<u>1,077,117</u>	<u>1,022,657</u>
Business-Type Activities:							
Food Service	25,282	23,560	23,245	24,821	22,707	16,409	10,017
Total Business-Type Activities Expenses	<u>25,282</u>	<u>23,560</u>	<u>23,245</u>	<u>24,821</u>	<u>22,707</u>	<u>16,409</u>	<u>10,017</u>
Total Charter School Expenses	<u>\$ 1,941,661</u>	<u>\$ 1,828,952</u>	<u>\$ 1,716,086</u>	<u>\$ 1,510,732</u>	<u>\$ 1,385,877</u>	<u>\$ 1,093,526</u>	<u>\$ 1,032,674</u>
Program Revenues							
Governmental Activities:							
Operating Grants and Contributions	\$ 23,638	\$ 27,513	\$ 24,417	\$ 15,468	\$ 7,160	\$ 3,612	\$ 2,165
Total Governmental Activities Expenses	<u>23,638</u>	<u>27,513</u>	<u>24,417</u>	<u>15,468</u>	<u>7,160</u>	<u>3,612</u>	<u>2,165</u>
Business-Type Activities:							
Charges for Services	11,535	10,794	10,264	14,136	15,128	16,448	10,114
Operating Grants and Contributions	14,553	12,939	11,302	10,325	9,703	6,148	4,480
Total Business-Type Activities Expenses	<u>26,088</u>	<u>23,733</u>	<u>21,566</u>	<u>24,461</u>	<u>24,831</u>	<u>22,596</u>	<u>14,594</u>
Total Charter School Program Revenue	<u>\$ 49,726</u>	<u>\$ 51,246</u>	<u>\$ 45,983</u>	<u>\$ 39,929</u>	<u>\$ 31,991</u>	<u>\$ 26,208</u>	<u>\$ 16,759</u>
Net (Expense)/Revenue							
Governmental Activities	\$ (1,892,741)	\$ (1,777,879)	\$ (1,668,424)	\$ (1,470,443)	\$ (1,356,010)	\$ (1,073,505)	\$ (1,020,492)
Business-Type Activities	806	173	(1,679)	(360)	2,124	6,187	4,577
Total Charter School Net Expense	<u>\$ (1,891,935)</u>	<u>\$ (1,777,706)</u>	<u>\$ (1,670,103)</u>	<u>\$ (1,470,803)</u>	<u>\$ (1,353,886)</u>	<u>\$ (1,067,318)</u>	<u>\$ (1,015,915)</u>
General Revenues and Other Changes in Net Assets/Position							
Governmental Activities:							
General Purposes	\$ 900,838	\$ 950,807	\$ 926,518	\$ 519,692	\$ 862,793	\$ 713,437	\$ 434,916
Federal and State Aid Not Restricted	754,617	807,677	700,980	1,035,466	599,077	503,469	579,750
Miscellaneous Income	-	12,486	-	-	2,278	-	-
Total Governmental Activities	<u>1,655,455</u>	<u>1,770,970</u>	<u>1,627,498</u>	<u>1,555,158</u>	<u>1,464,148</u>	<u>1,216,906</u>	<u>1,014,666</u>
Total Charter School Wide	<u>\$ 1,655,455</u>	<u>\$ 1,770,970</u>	<u>\$ 1,627,498</u>	<u>\$ 1,555,158</u>	<u>\$ 1,464,148</u>	<u>\$ 1,216,906</u>	<u>\$ 1,014,666</u>
Change in Net Assets/Position							
Governmental Activities	\$ (237,286)	\$ (6,909)	\$ (40,926)	\$ 84,715	\$ 108,138	\$ 143,401	\$ (5,826)
Business-Type Activities	806	173	(1,679)	(360)	2,124	6,187	4,577
Total Charter School	<u>\$ (236,480)</u>	<u>\$ (6,736)</u>	<u>\$ (42,605)</u>	<u>\$ 84,355</u>	<u>\$ 110,262</u>	<u>\$ 149,588</u>	<u>\$ (1,249)</u>

Source: Charter School's Records

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Fund Balances - Governmental Funds
 Last Seven Fiscal Years
(modified accrual basis of accounting)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund Unreserved	\$ 102,261	282,592	289,501	330,428	245,713	137,575	(5,826)
Total General Fund	<u>\$ 102,261</u>	<u>\$ 282,592</u>	<u>\$ 289,501</u>	<u>\$ 330,428</u>	<u>\$ 245,713</u>	<u>\$ 137,575</u>	<u>\$ (5,826)</u>

Source: Charter School's Records

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Changes in Fund Balances - Governmental Funds
 Last Seven Fiscal Years
 (modified accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010
Revenues:							
Local Sources:	\$ 900,838	\$ 963,293	\$ 926,518	\$ 519,692	\$ 863,078	\$ 713,437	\$ 434,916
Revenue from Community Services Activities	-	-	-	-	1,983	-	-
State Sources	742,823	803,826	694,526	1,037,460	569,589	488,420	553,933
Federal Sources	35,432	31,364	30,871	13,474	36,648	18,661	27,982
Total Revenues	1,679,093	1,798,483	1,651,915	1,570,626	1,471,298	1,220,518	1,016,831
Expenditures:							
Instruction	773,959	815,559	614,694	713,829	627,123	439,842	380,718
Administration	897,421	723,316	909,256	615,427	578,159	421,785	335,633
Support Services	188,044	255,822	168,891	156,655	157,888	141,622	269,880
Capital Outlay	-	10,695	-	-	-	73,868	36,426
Total Expenditures	1,859,424	1,805,392	1,692,841	1,485,911	1,363,170	1,077,117	1,022,657
Excess (Deficiency) of Revenues Over (Under) Expenditures	(180,331)	(6,909)	(40,926)	84,715	108,128	143,401	(5,826)
Net Change in Fund Balance	\$ (180,331)	\$ (6,909)	\$ (40,926)	\$ 84,715	\$ 108,128	\$ 143,401	\$ (5,826)

Source: Charter School's Records

OPERATING INFORMATION

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Full-Time Equivalent Charter School Employees by Function
 Last Seven Fiscal Years

Function	2016	2015	2014	2013	2012	2011	2010
Instruction	15	15	13	12	11	12	9
Administrative	2	2	3	3	2	2	2
Support Services	2	2	3	3	2	2	2
Food Service	4	4	1	1	1	-	0
Total	23	23	20	19	16	16	13

Source: Charter School's Records

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Operating Statistics
Last Seven Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil / Teacher Ratio	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	Percent Change in Average Daily Enrollment	Student Attendance Percentage
2016	144	\$ 1,823,992	\$ 12,667	7.14%	15	9.3:1	142	136	0.00%	95.77%
2015	144	1,702,369	\$ 11,822	1.72%	15	9.6:1	142	144	-0.85%	101.41%
2014	143	1,661,970	\$ 11,622	12.08%	13	11:1	143.2	138	0.84%	96.37%
2013	142	1,472,437	\$ 10,369	5.69%	12	9:1	142	138	4.93%	97.18%
2012	135	1,324,529	\$ 9,811	17.59%	11	10:1	135	131.6	12.59%	97.48%
2011	118	984,588	\$ 8,344	-17.85%	12	10:1	118	112.4	38.98%	95.25%
2010	72	731,340	\$ 10,158	N/A	9	8:1	72	72	N/A	100.00%

RIVERBANK CHARTER SCHOOL OF EXCELLENCE

Insurance Schedule
June 30, 2010
(Unaudited)

	Coverage	Deductible
COMMERCIAL PACKAGE		
<i>Commercial General Liability - Great American</i>		
Each Occurrence	\$ 1,000,000	
General Aggregate	2,000,000	
Products-completed operations aggregate limit	2,000,000	
Personal and advertising injury	1,000,000	
Damage to premises rented	100,000	
Premises medical payments	5,000	
<i>Commercial Property - Great American</i>		
Building (RC) 90% co-ins	\$ 3,000,000	\$ 1,000
Business Personal Property	75,000	1,000
Equipment Breakdown Limit	3,075,000	
<i>Business Automobile Coverage - Great American</i>		
Non-owned and Hired Car Limit	\$ 1,000,000	
<i>Umbrella Liability - Great American</i>		
Limit of Liability Each occurrence	\$ 4,000,000	
General Aggregate	4,000,000	
Products/Completed Ops Agg	4,000,000	
Self-Insured Retention	10,000	
<i>Workman's Compensation - The Hartford</i>		
Bodily Injury by Accident	\$ 1,000,000	
Bodily Injury by Disease (policy limit)	1,000,000	
Bodily Injury by Disease (each employee)	1,000,000	
<i>D&O Including Employment Related Practices & Educators</i>		
<i>Wrongful Acts (Great American)</i>		
D&O Limit	\$ 1,000,000	
Employment Related Practices Limit	1,000,000	
Retention Limit		\$ 2,500
<i>Student Accident Insurance (Bollinger)</i>		
Full Excess Coverage - Maximum Benefit	\$ 1,000,000	

Source: Charter School's Records

RIVERBANK CHARTER SCHOOL OF EXCELLENCE
 Charter School Performance Framework Financial Indicators
 Fiscal Ratios
 Last Three Fiscal Years

	2014 Audit	2015 Audit	2016 Audit	Source
Cash	\$ 63,909	\$ 171,384	\$ 59,586	Audit: Exhibit A-1
Current Assets (includes CASH)	344,647	319,768	114,773	Audit: Exhibit A-1
Total Assets	344,647	541,787	114,773	Audit: Exhibit A-1
Current Liabilities	44,297	26,154	684	Audit: Exhibit A-1
Total Liabilities	44,297	46,975	472,552	Audit: Exhibit A-1
Net Assets	300,350	145,583	(90,897)	Audit: Exhibit A-1
Total Revenue	1,673,481	1,822,216	1,705,181	Audit: Exhibit A-2
Total Expenses	1,716,086	1,885,700	1,941,661	Audit: Exhibit A-2
Change in Net Assets	(42,605)	(63,484)	(236,480)	Audit: Exhibit A-2
Depreciation Expense	-	-	-	Financial Statements/Audit Workpapers
Interest Expense	-	-	-	Financial Statements/Audit Workpapers
Principal Payments	-	-	-	Financial Statements/Audit Workpapers
Interest Payments	-	-	-	Financial Statements/Audit Workpapers
Final Average Daily Enrollment	112.40	131.60	138.00	DOE Enrollment Reports
March 30th Budgeted Enrollment	0	0	0	Charter School Budget

Near Term Indicators	RATIOS ANALYSIS...			3 YR CUM	Source:	Target
	2013	2014	2015			
1a. Current Ratio	7.78	12.23	167.80		Current Assets/Current Liabilities	> 1.1
1b. Unrestricted Days Cash	13.59	33.17	11.20		Cash/(Total Expenses/365)	30-60
1c. Enrollment Variance	0%	0%	0%		Average Daily Enrollment/Budgeted Enrollment	>95%
1d.* Default	N/A	N/A	N/A		Audit	not in default
Sustainability Indicators						
2a. Total Margin	-3%	-3%	-14%		Change in Net Assets/Total Revenue	positive
2b. Debt to Asset	0.13	0.09	4.12		Total Liabilities/Total Assets	<.9
2c.** Cash Flow	41,104	107,475	(111,798)	36,781	Net change in cash flow from prior years (Change in Net Assets+Depreciation+Interest Expense)/(Principal & Interest Payments)	3 yr cum positive
2d. Debt Service Coverage Ratio	N/A	N/A	N/A			>1.10

* Is school in default of loan covenant(s) and/or is delinquent with debt service payments? Yes or No
 ** 2016 = 2016 Cash - 2015 Cash; 2015 = 2015 Cash - 2014 Cash; 2014 = 2014 Cash - 2013 Cash

Refer questions to charterfinance@doe.state.nj.us